# GOVERNMENT OF INDIA
# LABOUR AND EMPLOYMENT
# LOK SABHA

UNSTARRED QUESTION NO:4707
ANSWERED ON:22.05.2006
ESI EPF IRREGULARITIES IN FIVE STAR HOTELS
Mehta Shri Bhubneshwar Prasad

**Will the Minister of LABOUR AND EMPLOYMENT be pleased to state:**

(a) whether the Government is aware that the employees are being exploited due to non-deposit of Employees State Insurance (ESI) and Employees Provident Fund (EPF) contribution by the management of the Five Star Hotels in Delhi;

(b) if so, the details of such hotels in Delhi against whom ESI and EPF amount is outstanding indicating the hotels against whom cases of violation of Labour Laws are pending in Labour Courts as on March 31, 2006;

(a) the details of hotels where raids in respect of ESI and EPF irregularities were conducted between April 1, 2002 to April 30, 2006;

(b) the details and nature of the irregularities detected in the raids; and

(c) the action taken against these hotels alongwith the steps taken to give relief to the affected employees?

## Answer

MINISTER OF STATE IN THE MINISTRY OF LABOUR & EMPLOYMENT (SHRI CHANDRA SEKHAR SAHU)

(a): No such incident has come to the notice of the Government. However, compliance of the covered establishments is monitored regularly by the Employees Provident Fund Organisation and Employees State Insurance Corporation.

(b) to (e) Employees Provident Fund Organisation: On detection of default through Computerised Compliance Tracking System (CCTS) or on receipt of complaint, action is taken under Section-7A of the Employees` Provident Funds & Miscellaneous Provisions Act, 1952 for assessment of dues and subsequently recovery thereof. As regards Five Star Hotels, complaints were received in respect of M/s Ashoka Hotel (DL/522) and M/s Park Royal International Hotel (DL/20442). In respect of M/s Ashoka Hotel an amount of Rs. 4,38,569/- was assessed out of which Rs. 3,28,927/-have been realized. The Establishment filed an appeal in the Employees Provident Fund Appellate Tribunal where the case is pending. The other establishment i.e. M/s Park Royal International Hotel was inspected by a squad of Enforcement Officers on 17.03.04 and an evasion in respect of contractors` employees was detected. The amount worked out in respect of contractor employees engaged by the establishment was Rs. 84590/-, which has since been recovered on 22.03.04. Besides under sample check conducted during Compliance Validation and Analysis Programme, 2006 launched during January 2006 to March 2006, certain irregularities were noticed in 8 Hotels of five star category in Delhi.

Employees State Insurance Corporation: The details of the position of dues/arrears in respect of five star hotels in Delhi are shown in the Annexure. No raid was conducted by ESI Corporation in any five star hotels during the period as there was no complaint of non-compliance or detection of any irregularity.